

March 16, 2018

Barry Wood
Director Assessment Division
Department of Local Government Finance
Indiana Government Center North
100 North Senate Avenue N1058(B)
Indianapolis, IN 46204

Dear Barry,

We have completed the sales ratio study for the 2018 Gibson County trending. All sales that we deemed valid were used, including multi-parcel sales and land sales that have since been improved. We only used sales between 1/1/17-12/31/17. For the fourth year of the cyclical reassessment, we reviewed the City of Princeton for the Commercial/Industrial, Exempt, and Utility side. In addition to those areas, we reviewed Barton, Columbia, and White River Townships for Agricultural and Residential.

Residential and Ag Homesites

For the “Res Vacant” portion of the ratio study we grouped the following townships together:

Barton
Center
Columbia
Johnson
Montgomery
Patoka
Union
Wabash
Washington
White River

The townships were grouped together because they share similar economic factors. This allowed us to include all sales in a similar area, rather than basing land rates on one or two sales. Rates were changed where necessary. Johnson Township has slowed down on development and is now grouped with these because it has seen development slow down, and available land is not as abundant as it has been over the previous few years.

Also, we grouped the following townships together for the “Improved Residential” portion of the ratio study:

Barton
Center

Patoka
Washington
White River

Union
Wabash

We grouped these townships together because of the similarities they share economically. These were new groups last year that we will more than likely continue, because we have seen a tendency for the school districts to drive the market in Gibson County more than anything. The following townships were not grouped with any other township. There were a representative number of sales to tell us what the market was doing in each area. Also, trending factors have been added to help bring the median ratios closer to 1.00. The townships that weren't grouped with any other township are:

Columbia
Johnson
Montgomery

There are two parcels that caused a decrease of 11.5% in Barton Township for the "Res Vacant". These parcels are:

26-20-02-403-000.174-003 (Improvements Removed)
26-20-11-200-000.410-001 (Improvements Removed)

There are four parcels that caused a decrease of 10.4% in Columbia Township for the "Res Vacant". These parcels are:

26-13-12-400-001.244-006 (Improvements Removed)
26-14-18-303-000.648-007 (Improvements Removed)
26-14-18-303-001.318-007 (Improvements Removed)
26-14-29-200-001.459-006 (Improvements Removed)

There are several parcels that caused the "Res Vacant" in Montgomery Township to increase more than 12.4%. There was a subdivision within neighborhood 950031-021 that was wasn't pricing correctly.

In Wabash Township the "Res Imp" went up 12.5% due to the addition of a dwelling on parcel 26-16-22-300-703.923-023

Commercial and Industrial

We grouped all of the Commercial and Industrial properties together. The construction types and sizes for the Commercial and Industrial properties are very similar, so these two categories were grouped together when we were developing trending factors. They are grouped that way on the ratio study as well. Trending factors were added to help bring the median ratios closer to 1.00, if they were needed at all.

Wabash Township “Com Imp” went down 10.0% due to the depreciation on parcel:

26-16-14-400-000.043-023

Union Township “Com Vac” increased 24.9% due to the creation of a new parcel. That parcel is:

26-19-19-300-002.419-025

Union Township “Com Imp” increased 25.3% due to the correction of how land was broken out at the Toyota Plant (it sits in two different townships).

Summary

We have set the Toyota plant on the value obtained through an appraisal. This was done to avoid a shortfall financially for the county in case we lowered the value more or we could possibly lose an appeal. The difference between Gibson County and Toyota is roughly \$30,000,000 of assessed value. Everything done going forward with Toyota will be handled through the appeal process.

All neighborhoods that had a representative number of sales fell within acceptable range and if they did not, we applied a factor to get them to meet IAAO standards. Any areas that didn’t have a fair representation of sales were combined with an adjoining area of similar economic factors.

Sincerely,

Kim Minkler